



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

[A-428-815 and A-580-816]

Corrosion-Resistant Carbon Steel Flat Products from Germany and the Republic of Korea:
Preliminary Results of Full Sunset Reviews

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

SUMMARY: On January 3, 2012, the Department of Commerce ("the Department") initiated the third sunset reviews of the antidumping duty ("AD") orders on certain corrosion-resistant carbon steel flat products ("CORE") from Germany and the Republic of Korea ("Korea") pursuant to section 751(c) of the Tariff Act of 1930, as amended ("the Act"). On April 20, 2012, the Department revised its original adequacy determination and determined to conduct full sunset reviews of the AD orders on CORE from Germany and Korea as provided for in section 751(c)(5)(A) of the Act and in 19 CFR 351.218 (e)(2), and extended the deadlines for the preliminary and final results.¹ As a result of its analysis, the Department preliminarily finds that revocation of these AD orders would be likely to lead to continuation or recurrence of dumping at the margins indicated in the "Preliminary Results of Review" section of this notice.

EFFECTIVE DATE: (Insert date of publication in the Federal Register.)

FOR FURTHER INFORMATION CONTACT: Dennis McClure or James Terpstra AD/CVD

Operations, Import Administration, International Trade Administration, U.S. Department of

¹ See Memorandum to Barbara E. Tillman, Acting Deputy Assistant Secretary for Antidumping Duty and Countervailing Duty Operations, from Melissa G. Skinner, Director, Office 3, on "Sunset Reviews of the Antidumping Duty Orders on Corrosion-Resistant Carbon Steel Flat Products from Germany and South Korea: Adequacy Redetermination Memorandum" and Corrosion-Resistant Carbon Steel Flat Products From Germany and South Korea: Extension of Time Limits for Preliminary and Final Results of Third Antidumping Duty Sunset Reviews, 77 FR 25141 (April 27, 2012) ("CORE Extension Notice").

Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-5973 or (202) 482-3965, respectively.

SUPPLEMENTARY INFORMATION:

Background

On January 3, 2012, the Department initiated the third sunset review of the AD orders on CORE from Germany and Korea pursuant to section 751(c) of the Act.² The Department received notices of intent to participate from the following domestic interested parties: United States Steel Corporation (“U.S. Steel”); ArcelorMittal USA LLC (“AMUSA”); and Nucor Corporation (“Nucor”), within the deadline specified in 19 CFR 351.218(d)(1)(i). The domestic interested parties claimed interested party status under section 771(9)(C) of the Act as U.S. producers of the subject merchandise. The Department received complete substantive responses from the domestic interested parties within the 30-day deadline specified in 19 CFR 351.218(d)(3)(i).

The Department did not receive a substantive response from any respondent in either of the sunset reviews of the AD orders on CORE from Germany and Korea. As a result, pursuant to 19 CFR 351.218(e)(1)(ii)(C)(2), the Department determined to conduct expedited reviews of these orders. However, on April 20, 2012, the Department revised its original adequacy determination and determined to conduct full sunset reviews.³ The conversion to full sunset reviews and extension of the deadlines for the preliminary results were done to provide interested

² See Initiation of Five-year (“Sunset”) Reviews, 77 FR 85 (January 3, 2012).

³ See Memorandum to Barbara E. Tillman, Acting Deputy Assistant Secretary for Antidumping Duty and Countervailing Duty Operations, from Melissa G. Skinner, Director, Office 3, on “Sunset Reviews of the Antidumping Duty Orders on Corrosion-Resistant Carbon Steel Flat Products from Germany and South Korea: Adequacy Redetermination Memorandum” and CORE Extension Notice.

parties with an opportunity to comment concerning the implementation of the Final Modification for Reviews.⁴

The Department provided interested parties with an opportunity to comment on how the implementation of the Final Modification for Reviews applies to the sunset reviews of the AD orders on CORE from Germany and Korea. U.S. Steel, Nucor, and AMUSA submitted comments on June 8, 2012. ThyssenKrupp Steel Europe AG, a German producer and exporter, submitted comments on June 8, 2012. U.S. Steel, Nucor, and AMUSA submitted rebuttal comments on June 15, 2012.

Scope of the Orders

The products subject to the orders include flat-rolled carbon steel products, of rectangular shape, either clad, plated, or coated with corrosion-resistant metals such as zinc, aluminum, or zinc-, aluminum-, nickel- or iron-based alloys, whether or not corrugated or painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating, in coils (whether or not in successively superimposed layers) and of a width of 0.5 inch or greater, or in straight lengths which, if of a thickness less than 4.75 mm, are of a width of 0.5 inch or greater and which measures at least 10 times the thickness, or if of a thickness of 4.75 mm or more, are of a width which exceeds 150 mm and measures at least twice the thickness, as currently classifiable in the Harmonized Tariff Schedule of the United States (“HTSUS”) under item numbers: 7210.30.0030, 7210.30.0060, 7210.41.0000, 7210.49.0030, 7210.49.0090, 7210.61.0000, 7210.69.0000, 7210.70.6030, 7210.70.6060, 7210.70.6090, 7210.90.1000, 7210.90.6000, 7210.90.9000, 7212.20.0000, 7212.30.1030, 7212.30.1090, 7212.30.3000, 7212.30.5000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7212.60.0000, 7215.90.1000,

⁴ See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification for Reviews, 77 FR 8101 (February 14, 2012) (“Final Modification for Reviews”).

7215.90.3000, 7215.90.5000, 7217.20.1500, 7217.30.1530, 7217.30.1560, 7217.90.1000, 7217.90.5030, 7217.90.5060, and 7217.90.5090.

Included in the orders are flat-rolled products of nonrectangular cross-section where such cross-section is achieved subsequent to the rolling process (i.e., products which have been “worked after rolling”) -- for example, products which have been beveled or rounded at the edges.

Excluded from the scope of the orders are flat-rolled steel products either plated or coated with tin, lead, chromium, chromium oxides, both tin and lead (“terne plate”), or both chromium and chromium oxides (“tin-free steel”), whether or not painted, varnished or coated with plastics or other nonmetallic substances in addition to the metallic coating. Also excluded from the scope of the orders are clad products in straight lengths of 0.1875 inch or more in composite thickness and of a width which exceeds 150 mm and measures at least twice the thickness. Also excluded from the scope of the orders are certain clad stainless flat-rolled products, which are three-layered corrosion-resistant carbon steel flat-rolled products less than 4.75 mm in composite thickness that consist of a carbon steel flat-rolled product clad on both sides with stainless steel in a 20%-60%-20% ratio.

Further, the Department made three changed circumstances determination with respect to the order on Germany. The Department partially revoked the order with respect to deep-drawing carbon steel strip, roll-clad on both sides with aluminum (AlSi) foils in accordance with St3 LG as to EN 10139/10140.⁵ The Department also partially revoked the order with respect to certain wear plate products.⁶ In addition, the Department partially revoked the order with respect to the

⁵ See Notice of Final Results of Changed Circumstances Antidumping Duty and Countervailing Duty Reviews and Revocation of Orders in Part: Certain Corrosion-Resistant Carbon Steel Flat Products From Germany, 64 FR 51292 (September 22, 1999).

⁶ See Notice of Final Results of Antidumping Duty Changed Circumstances Reviews and Revocation of Orders In

following products: certain corrosion-resistant carbon steel from Germany, meeting the following description: electrolytically zinc coated flat steel products, with a coating mass between 35 and 72 grams per meter squared on each side; with a thickness range of 0.67 mm or more but not more than 2.95 mm and width 817 mm or more but not over 1830 mm; having the following chemical composition (percent by weight): carbon not over 0.08, silicon not over 0.25, manganese not over 0.9, phosphorous not over 0.025, sulfur not over 0.012, chromium not over 0.1, titanium not over 0.005 and niobium not over 0.05; with a minimum yield strength of 310 Mpa and a minimum tensile strength of 390 Mpa; additionally coated on one or both sides with an organic coating containing not less than 30 percent and not more than 60 percent zinc and free of hexavalent chrome.⁷

Analysis of Comments Received

All issues raised in these reviews are addressed in the Issues and Decision Memorandum (“Decision Memorandum”) from Susan Kuhbach, Director, Antidumping and Countervailing Duty Operations Office 1, to Paul Piquado, Assistant Secretary for Import Administration, dated concurrent with this notice of preliminary results, which is hereby adopted by this notice. The issues discussed in the Decision Memorandum include the likelihood of continuation or recurrence of dumping and the magnitude of the margin likely to prevail if the orders were revoked. In our analysis, the Department addresses the concerns raised by interested parties with regard to the Final Modification for Reviews. Parties can find a complete discussion of all issues raised in these sunset reviews and the corresponding recommendations in this public memorandum, which is on file electronically via Import Administration’s Antidumping and

Part: Certain Corrosion-Resistant Carbon Steel Flat Products From Canada and Germany, 71 FR 14498 (March 22, 2006).

⁷ See Notice of Final Results of Antidumping Duty Changed Circumstances Review and Revocation of Order In Part: Certain Corrosion-Resistant Carbon Steel Flat Products from Germany, 71 FR 66163 (November 13, 2006).

Countervailing Duty Centralized Electronic Service System (“IA ACCESS”). Access to IA ACCESS is available in the Central Records Unit (“CRU”), Room 7046 of the main Department of Commerce building. In addition, a complete version of the Decision Memorandum can be accessed directly on the Web at <http://ia.ita.doc.gov/frn>, under the heading “July 2012.” The signed version and the electronic versions are identical in content.

Preliminary Results of Review

The Department preliminarily determines that the magnitude of the margin likely to prevail were the antidumping duty orders on CORE from Germany and Korea to be revoked is at least 9.35 percent for Thyssen Stahl AG and all other German producers and exporters of CORE and at least 12.85 percent for all Korean producers and exporters of CORE, other than POSCO.⁸

Interested parties may submit case briefs no later than 50 days after the date of publication of the preliminary results of these full sunset reviews, in accordance with 19 CFR 351.309(c)(1)(i). Any interested party may request a hearing within 30 days of publication of this notice in accordance with 19 CFR 351.310(c). Rebuttal briefs, which must be limited to issues raised in the case briefs, may be filed not later than the five days after the time limit for filing case briefs in accordance with 19 CFR 351.309(d).

A hearing, if requested, will be held two days after the date the rebuttal briefs are due. The Department will issue a notice of final results of these full sunset reviews, which will include the results of its analysis of issues raised in any such comments, no later than November 28, 2012.⁹

⁸ The order was revoked with respect to Pohang Iron & Steel Co., Ltd. and Pohang Coated Steel Co., Ltd. (collectively, “POSCO”), who was the only respondent examined in the original antidumping investigation. See Certain Corrosion-Resistant Carbon Steel Flat Products From the Republic of Korea: Notice of Final Results of the 2009–2010 Administrative Review and Revocation, in Part, 77 FR 14501 (March 12, 2012).

⁹ See CORE Extension Notice.

The Department is issuing and publishing the results and notice in accordance with sections 751(c), 752, and 777(i)(1) of the Act.

Paul Piquado
Assistant Secretary
for Import Administration

July 23, 2012 _____
Date

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